HOUSE BILL 2478 By Ritchie

AN ACT to amend Tennessee Code Annotated, Title 2, Chapter 10, relative to campaign finance.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 2, Chapter 10, Part 1, is amended by adding the following new section:

- (a) A candidate for state or local public office in Tennessee may not accept a contribution from:
 - (1) Any person who is not a resident of Tennessee;
 - (2) Any political campaign committee that does not file disclosure reports with the registry of election finance; or
 - (3) Any political campaign committee which receives funds from any individual, business entity, or political campaign committee that is not a resident of or domiciled in Tennessee.
- (b) A contribution accepted in violation of this section is not a violation, if the candidate or the political campaign committee returns or refunds the contribution to the person, business entity, or committee that made the contribution within sixty (60) days of the candidate's or committee's receipt of the contribution.
- (c) The registry of election finance may impose a maximum civil penalty for a violation of this section of not more than ten thousand dollars (\$10,000) or one hundred

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fifteen percent (115%) of the amount of all contributions accepted in violation of this section, whichever is greater.

- (d) Penalties imposed under this section shall be deposited into the state general fund.
- (e) To request a waiver or reduction or in any way to contest a penalty imposed by the staff of the registry, a person shall file a petition with the registry. Such petition shall be considered as a contested case proceeding under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.
- (f) If a civil penalty lawfully assessed against a candidate is not paid within thirty (30) days after the assessment becomes final, the candidate is ineligible to qualify for election to any state or local public office until such penalty is paid.

SECTION 2. This act shall take effect July 1, 1998, the public welfare requiring it, and shall apply to the acceptance of any contribution on or after July 1, 1998.

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